

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

MIKE SCHWEERTMANN, Derivatively on Behalf of
LINCOLN EDUCATIONAL SERVICES CORP.,

Plaintiff,

v.

DAVID F. CARNEY, SHAUN E. MCALMONT,
ALEXIS P. MICHAS, JAMES J. BURKE, JR., PAUL
E. GLASKE, PETER S. BURGESS, J. BARRY
MORROW, CELIA H. CURRIN, CHARLES F.
KALMBACH, ALVIN O. AUSTIN, and CESAR
RIBEIRO,

Defendants,

and

LINCOLN EDUCATIONAL SERVICES CORP.,

Nominal Defendant.

Master File No.
2:10-CV-06686-SRC-
MAS

**STIPULATION OF VOLUNTARY DISMISSAL OF
VERIFIED SHAREHOLDER DERIVATIVE COMPLAINT**

WHEREAS, on December 21, 2010, plaintiff Mike Schweertmann ("Plaintiff") filed a Verified Shareholder Derivative Complaint (the "Complaint") against defendants David F. Carney, Shaun E. McAlmont, Alexis P. Michas, James J. Burke, Jr., Paul E. Glaske, Peter S. Burgess, J. Barry Marrow, Celia H. Currin, Charles F. Kalmbach, Alvin O. Austin, Cesar Ribeiro, and nominal defendant Lincoln Educational Services Corp. (collectively, "Defendants");

WHEREAS, on March 2, 2011, the parties submitted a consent order agreeing to a stay of all proceedings pending resolution of the motion to dismiss *In re Lincoln Educational Services Corp. Securities Litigation*, No. 10-cv-4160-SRC-MAS (the "Securities Action") (Dkt. No. 24), a related federal securities action (Dkt No. 10);

WHEREAS, this Court dismissed the Securities Action with prejudice on September 6, 2011 (Dkt. No. 33);

WHEREAS, Defendants have not filed or served an answer to the Complaint or a motion for summary judgment;

WHEREAS, Plaintiff seeks approval to voluntarily dismiss this shareholder derivative action without prejudice as to all Defendants pursuant to Fed. R. Civ. P. 41(a)(1)(A)(ii) and Fed. R. Civ. P. 23.1;

WHEREAS, the purposes of court approval and notice of dismissal of a derivative action pursuant to Fed. R. Civ. P. 23.1 are "to discourage the private settlement of a derivative claim under which a shareholder-plaintiff and his attorney personally profit to the exclusion of the corporation and the other shareholders" and "prevent[] any prejudice to the corporate claim that might result from a discontinuance of the suit," 7C Wright & Miller, Fed. Prac. & Proc. Civ. §1839;

WHEREAS, Plaintiff and Defendants represent that neither Plaintiff nor his counsel has received or will receive any payment or other benefit in exchange for Plaintiff's voluntary dismissal of claims against Defendants; and


WHEREAS notice under Fed. R. Civ. P. 23.1 is within the Court's discretion and is not required here because Plaintiff's decision to voluntarily dismiss the Complaint is not the result of collusion, will not result in any profit to Plaintiff or his counsel, and will not prejudice the rights of other shareholders to pursue the same or similar claims on behalf of the Company.

NOW AND THEREFORE, the Parties respectfully request that the Court issue the instant Order dismissing this action without prejudice and without the need for notice

to shareholders.


Dated: October 14, 2011

BRICKFIELD & DONAHUE


Paul B. Brickfield
70 Grand Avenue, Suite 102
River Edge, New Jersey 07661
(201) 488-7707
pbrickfield@brickdonlaw.com

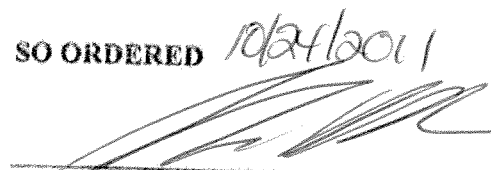
and

KAHN SWICK & FOTI, LLC


Lewis S. Kahn
Albert M. Myers
Melinda A. Nicholson
206 Covington Street
Madisonville, Louisiana 70447
(504) 455-1400
lewis.kahn@ksfcounsel.com
albert.myers@ksfcounsel.com
melinda.nicholson@ksfcounsel.com


Counsel for Plaintiff

SO ORDERED


Hon. Stanley R. Chesler
U.S. District Judge
District of New Jersey


Respectfully submitted by,

LOWENSTEIN SANDLER PC


Douglas S. Eakeley
Monica Perrette
65 Livingston Avenue
Roseland, New Jersey 07068
(973) 597-2500
deakeley@lowenstein.com
mperrette@lowenstein.com

and

SHEARMAN & STERLING LLP


Alan S. Goudiss
Christopher R. Fenton
599 Lexington Avenue
New York, New York 10022
(212) 848-4000
agoudiss@shearman.com
christopher.fenton@shearman.com

Counsel for Defendants

to shareholders.

Dated: October 14, 2011

BRICKFIELD & DONAHUE

Paul B. Brickfield
70 Grand Avenue, Suite 102
River Edge, New Jersey 07661
(201) 488-7707
pbrickfield@brickdonlaw.com

and

KAHN SWICK & FOTI, LLC

Lewis S. Kahn
Albert M. Myers
Melinda A. Nicholson
206 Covington Street
Madisonville, Louisiana 70447
(504) 455-1400
lewis.kahn@ksfcounsel.com
albert.myers@ksfcounsel.com
melinda.nicholson@ksfcounsel.com

Counsel for Plaintiff

SO ORDERED

Hon. Stanley R. Chesler
U.S. District Judge
District of New Jersey

Respectfully submitted by,

LOWENSTEIN SANDLER PC

Douglas S. Eakeley
Douglas S. Eakeley
Monica Perrette
65 Livingston Avenue
Roseland, New Jersey 07068
(973) 597-2500
deakeley@lowenstein.com
mperrette@lowenstein.com

and

SHEARMAN & STERLING LLP

Alan S. Goudiss
Christopher R. Fenton
599 Lexington Avenue
New York, New York 10022
(212) 848-4000
agoudiss@shearman.com
christopher.fenton@shearman.com

Counsel for Defendants